



CITY OF FRESNO
MONTHLY INVESTMENT REPORT
MONTH ENDED OCTOBER 31, 2003

PORTFOLIO SUMMARY BY INVESTMENT TYPE

Investments	Amortized Cost	Pct. of Portfolio	Market Value	Par Value	Par Value + Accum. Future Earnings
Local Agency Investment Fund*	80,000,000	30.24%	80,000,000	80,000,000	80,000,000
Federal Agency Notes	144,460,390	54.61%	143,951,522	144,490,000	151,677,922
Time Deposit	4,000,000	1.51%	4,009,275	4,000,000	4,009,301
Mutual Funds*	36,057,897	13.63%	36,057,897	36,057,897	36,057,897
Total Investments	\$ 264,518,287	100.00%	\$ 264,018,694	\$ 264,547,897	\$ 271,745,120

*Future Earnings Indeterminate

PORTFOLIO ANALYSIS

Description	October 2002	October 2003	Change
Amortized Cost of Investments	\$ 262,871,588	\$ 264,518,287	\$ 1,646,699
Market Value of Investments	\$ 264,183,559	\$ 264,018,694	\$ (164,865)
Maturity Value of Investments	\$ 262,874,785	\$ 264,547,897	\$ 1,673,112
Average Days to Maturity	403	416	13
Monthly Yield/Return on Investment	2.91%	1.75%	(1.16)%
Rolling 12-Month Return on Investment	3.61%	2.23%	(1.38)%
Earned Interest: Current Month	\$ 644,330	\$ 391,588	\$ (252,742)
Earned Interest: Year-to-Date	\$ 2,868,087	\$ 1,605,223	\$ (1,262,864)
Number of Securities	32	26	(6)

The changes from October 2002 to October 2003 are largely reflective of the dramatic decline in interest rates over this last year. The decline has had two effects. First, the yield earned on the Portfolio has declined. The yield earned was 2.91 percent for the month ended October 2002, while it was 1.75 percent for the month ended October 2003, a decrease of 1.16 percent. The interest earned year to date has declined by \$1,262,864. The second effect has been a decrease in the market value of the Portfolio. Although, the Portfolio grew by \$1,646,699 the market value decreased by \$164,865.

Amortized Cost - the total amount at which investments are carried on the City books. This amount includes the amortization and accretion of premiums and discounts, respectively.

Market Value - the total amount at which investments are being sold in the market. Market prices are provided by the Bank of New York.

Par Value - (also referred to as "par value") the total amount of the face or stated value of the investments at maturity.

Par Value + Accumulated Future Earnings - Par Value plus the future interest earnings on the investments if they were held to maturity.

Average Days to Maturity - the average time in days left in the maturity of the investments.

Monthly Yield - the rate of return on investments as expressed in a percentage.

Rolling 12-Month Return - same Monthly yield, but for the past 12 months.

Earned Interest - the amount of income realized by all investments.